

Iowa Department of Human Services

For Human Services use only:

General Letter No. 8-AP-289

Employees' Manual, Title 8
Medicaid Appendix

August 22, 2008

AREA EDUCATION AGENCY MANUAL TRANSMITTAL NO. 08-1

ISSUED BY: Division of Medical Services, Iowa Department of Human Services

SUBJECT: **AREA EDUCATION AGENCY MANUAL**, Chapter III, *Provider Specific Policies*, pages 3, 9, 13, 20, 27, 36, 37, 38, and 43, revised; and form 470-3816, *Medicaid Billing Remittance*, revised.

Summary

The 2008 General Assembly in House File 2679 amended Iowa Code section 256.B15(7) to mandate that 84% of the AEA's portion of the Medicaid reimbursement should be sent to the Department of Education. The billing remittance, form 470-3816, has been revised to reflect this change.

This revision also:

- ◆ Clarifies that audiologists, occupational therapists, physical therapists, and speech language pathologists must be licensed by the Iowa Department of Public Health to qualify to bill services to Medicaid.
- ◆ Clarifies that the child's diagnosis code should be used on the claim.
- ◆ Updates instructions for CMS-1500, *Health Insurance Claim Form*.

Date Effective

July 1, 2008

Material Superseded

Remove the following pages from **AREA EDUCATION AGENCY MANUAL** and destroy them:

<u>Page</u>	<u>Date</u>
3, 9, 13, 20, 27, 36-38, 43 470-3816	June 1, 2007 12/06

Note: Extra pages are added to the printed release to correct a previous printing error.

Additional Information

The updated provider manual containing the revised pages can be found at:


www.dhs.state.ia.us/policyanalysis

If you do not have Internet access, you may request a paper copy of this manual transmittal by sending a written request to:

Iowa Medicaid Enterprise
Provider Services
PO Box 36450
Des Moines, IA 50315

Include your Medicaid provider number, name, address, provider type, and the transmittal number that you are requesting.

If any portion of this manual is not clear, please direct your inquiries to Iowa Medicaid Enterprise Provider Services Unit.

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2. Audiological Services

The following services are covered when they are included in the IEP or are linked to a service in the IEP:

- ◆ [Audiological screening](#)
- ◆ [Individual audiological assessment](#)
- ◆ [Direct audiological service to an individual](#)
- ◆ [Direct audiological service in a group](#)
- ◆ [Contracted audiological therapy services](#)

To be covered by Medicaid, audiological services, including contracted audiological services, must be provided by an audiologist who is licensed by the Iowa Department of Public Health.

a. Audiological Screening

A licensed audiologist must perform hearing screening. Objective audiological screening must be performed in both ears:


- ◆ Using a pure-tone audiometer at a minimum of 500, 1000, 2000, and 4000 Hz.
- ◆ At a maximum of 25 dB HL at any one frequency.

If a student fails to respond at any of the four frequencies in either ear, a complete audiogram or other assessment must be done.

b. Individual Audiological Assessment

Individual audiological assessment includes tests, tasks, and interviews used to:

- ◆ Identify hearing loss in students.
- ◆ Establish the nature, range, and degree of the hearing loss.
- ◆ Make referral for medical or other professional attention for the habilitation of hearing.

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4. Occupational Therapy

The following occupational therapy services are covered when they are in the IEP or are linked to a service in the IEP:

- ◆ [Occupational therapy screening](#)
- ◆ [Individual occupational therapy assessment](#)
- ◆ [Direct occupational therapy service to an individual](#)
- ◆ [Direct occupational therapy service in a group](#)
- ◆ [Contracted occupational therapy services](#)

To be covered by Medicaid, the service must be provided by:


- ◆ An occupational therapist who is licensed by the Iowa Department of Public Health, or
- ◆ A licensed occupational therapy assistant as delegated and supervised by the licensed occupational therapist.

a. Occupational Therapy Screening

Screening is the process of surveying a student through direct and indirect observation in order to identify previously undetected problems. Screening may include, but is not limited to, the use of any of the following methods:

- ◆ Review of written information (school or medical records, teacher notes).
- ◆ Review of spoken information (interview teachers or parents).
- ◆ Direct observation (checklists, a comparison with peers).
- ◆ Formal screening tools.

Occupational therapists may be involved in screening a group of students, but more typically, the therapist consults and provides in-service for other school personnel who regularly screen groups of students.

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5. Physical Therapy

The following physical therapy services are covered when they are in the IEP or are linked to a service in the IEP:

- ◆ [Physical therapy screening](#)
- ◆ [Individual physical therapy assessment](#)
- ◆ [Direct physical therapy service to an individual](#)
- ◆ [Direct physical therapy service in a group](#)
- ◆ [Contracted physical therapy services](#)

To be covered, the service must be provided either by:


- ◆ A physical therapist who is licensed by the Iowa Department of Public Health, or
- ◆ A licensed physical therapist assistant as delegated and supervised by the licensed physical therapist.

a. Physical Therapy Screening

Screening is the process of surveying a student through direct and indirect observation in order to identify previously undetected problems. Screening may include, but is not limited to, the use of any of the following methods:

- ◆ Review of written information (school or medical records, teacher notes).
- ◆ Review of spoken information (interview teachers or parents).
- ◆ Direct observation (checklists, a comparison with peers).
- ◆ Formal screening tools.

Physical therapists may be involved in screening a group of students, but more typically, the therapist consults and provides in-service for other school personnel who regularly screen groups of students.

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8. Speech-Language Therapy

The following speech-language services are covered when they are in the IEP or are linked to a service in the IEP:

- ◆ [Speech-language screening](#)
- ◆ [Individual speech-language assessment](#)
- ◆ [Direct speech-language service to an individual](#)
- ◆ [Direct speech-language service in a group](#)
- ◆ [Contracted speech-language service](#)

To be covered by Medicaid, services must be provided by either:

- ◆ A speech-language pathologist who is licensed by the Iowa Department of Public Health, or
- ◆ A speech pathology assistant who is supervised by a licensed speech-language pathologist.

NOTE: Contracted speech-language services are also covered only when provided by a licensed speech-language pathologist.

a. Speech-Language Screening


Speech-language screening is the process of surveying a student through direct supervision by a speech-language pathologist in order to identify previously undetected speech and language problems such as:

- ◆ Articulation
- ◆ Receptive and expressive language
- ◆ Voice
- ◆ Fluency
- ◆ Oral motor functioning
- ◆ Oral structure

b. Individual Speech-Language Assessment

Individual speech-language assessment refers to the process of gathering and interpreting information through:

- ◆ The administering of tests or evaluative instruments.
- ◆ Observation.
- ◆ Record review.
- ◆ Interviews with parents, teachers, and others.

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D. PROCEDURE CODES AND NOMENCLATURE

Iowa uses the HCFA Common Procedure Coding System (HCPCS). Claims submitted without a procedure code and an ICD-9-CM diagnosis code will be denied. Use the child's diagnosis code on the claim.

In certain instances, two-digit modifiers are applicable. They should be placed after the five-position procedure code. Possible modifiers are shown below:

<u>Modifier</u>	<u>Definition</u>
AH	Clinical psychologist
AJ	Social worker
GN	Speech pathologist
GO	Occupational therapist
GP	Physical therapist
HQ	Group setting
TD	RN
TE	LPN
TM	Individual education program – contracted services
UA	Audiologist

Procedure codes applicable to area education agency services are as follows:

<u>Code</u>	<u>Modifier</u>	<u>Description</u>
Audiology		
V5008		Hearing screening per encounter
92506	UA	Evaluation of speech, language, voice, communication, auditory processing, or aural rehabilitation status 15-minute unit
92507	UA	Treatment of speech, language, voice, communication, or auditory processing disorder; individual, 15-minute unit
92507	TM	Treatment of speech, language, voice, communication, or auditory processing disorder; individual, by contracted staff
92508	UA	Treatment of speech, language, voice, communication, or auditory processing disorder; group, 15-minute unit



FIELD NUMBER	FIELD NAME/ DESCRIPTION	INSTRUCTIONS
24. D	PROCEDURES, SERVICES OR SUPPLIES	REQUIRED. Enter the codes for each of the dates of service. Do not list services for which no fees were charged. Do not enter the description. Enter the procedures, services, or supplies using the CMS Healthcare Common Procedure Coding System (HCPCS) code or valid Current Procedural Terminology (CPT) codes. When applicable, show the HCPCS code modifiers with the HCPCS code.
24. E	DIAGNOSIS POINTER	REQUIRED. Indicate the corresponding diagnosis code from field 21 by entering the number of its position, e.g., 3. Do not write the actual diagnosis code in this field. Doing so will cause the claim to deny. There is a maximum of four diagnosis codes per claim.
24. F	\$ CHARGES	REQUIRED. Enter the usual and customary charge to the public for each line item. The charge must include both dollars and cents.
24. G	DAYS OR UNITS	REQUIRED. Enter the number of times this procedure was performed or number of supply items dispensed. If the procedure code specifies the number of units, then enter "1." When billing general anesthesia, the units of service must reflect the total minutes of general anesthesia.
24. H	EPSDT/FAMILY PLAN	SITUATIONAL. Enter "E" if the services on this claim line are the result of an EPSDT Care for Kids screening. Enter "F" if the service on this claim line is for family planning.
24. I	ID QUAL.	LEAVE BLANK. The claim will be returned if any information is entered in this field.
24. J	RENDERING PROVIDER ID # TOP SHADED PORTION LOWER PORTION	LEAVE BLANK REQUIRED Enter the NPI of the provider rendering the service.



FIELD NUMBER	FIELD NAME/ DESCRIPTION	INSTRUCTIONS
25.	FEDERAL TAX ID NUMBER	OPTIONAL. No entry required.
26.	PATIENT'S ACCOUNT NUMBER	FOR PROVIDER USE. Enter the account number you have assigned to the patient. This field is limited to 10 alphabetical or numeric characters.
27.	ACCEPT ASSIGNMENT?	OPTIONAL. No entry required.
28.	TOTAL CLAIM CHARGE	REQUIRED. Enter the total of the line-item charges. If more than one claim form is used to bill services performed, each claim form must be separately totaled. Do not carry over any charges to another claim form.
29.	AMOUNT PAID	SITUATIONAL. Required if the member has other insurance and the insurance has made a payment on the claim. Enter only the amount paid by other insurance. Do not list member copayments, Medicare payments, or previous Medicaid payments on this claim. Do not submit this claim until you receive a payment or denial from the other carrier. Proof of denial must be kept in the patient record.
30.	BALANCE DUE	REQUIRED. Enter the amount of total charges less the amount entered in field 29.
31.	SIGNATURE OF PHYSICIAN OR SUPPLIER	REQUIRED. Enter the signature of either the provider or the provider's authorized representative and the original filing date. The signatory must be someone who can legally attest to the service provided and can bind the organization to the declarations on the back of this form. If the signature is computer-generated block letters, the signature must be initialed. A signature stamp may be used.



FIELD NUMBER	FIELD NAME/ DESCRIPTION	INSTRUCTIONS
32.	SERVICE FACILITY LOCATION INFORMATION	REQUIRED. Enter the complete address of the treating or rendering provider.
32a.	NPI	OPTIONAL. Enter the NPI of the facility where services were rendered.
32b.		LEAVE BLANK. The claim will be returned if any information is entered in this field.
33.	BILLING PROVIDER INFO AND PHONE #	REQUIRED. Enter the name and complete address of the billing provider. The address must contain the ZIP code associated with the billing provider's NPI. NOTE: The ZIP code must match the ZIP code confirmed during NPI verification. To view the confirmed ZIP code, access imeservices.org .
33a.	NPI	REQUIRED. Enter the ten-digit NPI of the billing provider.
33b.		REQUIRED. Enter qualifier "ZZ" followed by the taxonomy code associated with the billing provider. No spaces or symbols should be used. The taxonomy code must match the taxonomy code confirmed during NPI verification. To view the confirmed taxonomy code, access imeservices.org .

2. Claim Attachment Control, Form 470-3969

If you want to submit electronically a claim that requires an attachment, you must submit the attachment on paper using the following procedure:

- ◆ **Complete** form 470-3969, *Claim Attachment Control*. To view a sample of this form on line, click [here](#). Complete the "attachment control number" with the same number submitted on the electronic claim. IME will accept up to 20 characters (letters or digits) in this number.

MEDICAID BILLING REMITTANCE

[provider]

Provider NPI/Id: []

Invoice # []

Date []

[provider]

Section 1: The provider's share of the cost of the [provider] services. For the month of [month and year], your agency received \$[amount]. The total amount owed is \$[amount] [For AEA only: at 84% of the total is \$(amount)]. This form must accompany payment for proper crediting.

All payments should be made to the Iowa Department of Education at the following address:

Attn: Tana Mullen
Iowa Department of Education
Grimes Bldg., Third Floor
400 E. 14th Street
Des Moines IA 50319-0146

The amount of _____ for the month of _____ is enclosed.


Signature of Authorized Representative

Date

Agency Name

If you have questions or concerns please contact Steve Crew at steve.crew@iowa.gov or (515)281-6285. Payment is due within 30 days of the date of this notice. Thank you for your assistance and timely payment.

cc: DHS, DE

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G. MEDICAID BILLING REMITTANCE

The IME uses form 470-3816, *Medicaid Billing Remittance*, to notify providers of the amount to be sent to the Department of Education. To view a sample of this form on line, click [here](#).

Please send the payment within 30 days of the date on the form. This form must accompany the payment for proper crediting.

- ◆ List the dollar amount.
- ◆ List the month and year that the agency was paid.
- ◆ Enter an authorized signature and date.
- ◆ Enter the name of agency.

There will be detailed information provided with this form to assist you.